GOVERNMENT OF INDIA
SOCIAL JUSTICE AND EMPOWERMENT
LOK SABHA

UNSTARRED QUESTION NO:3457
ANSWERED ON:15.12.2005
ESTABLISHMENT OF REGIONAL OFFICES OF NMDFC
Owaisi Shri Asaduddin

Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether State Channelising Agencies (SCAs) have powers to sanction loan upto Rs. 50,000 only to the eligible beneficiaries belonging to minority communities and applications from sanctioning of loan of more that Rs. 50,000 are referred to National Minorities Development and Finance Corporation(NMDFC);

(b) if so, whether this procedure takes a lot of time to clear the loan applicaiton;

(c) if so, whether the Government proposes to establish Regional Offices of NMDFC in all the four regions of the country for expeditious sanction of loans to minorities;

(d) if so, the details thereof and if not, the reasons therefore; and

(e) the steps taken or proposed to be taken by the Government for expeditious sanction of loan to the eligible beneficiaries?

Answer

MINISTER OF STATE IN THE MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT (SMT. SUBBULAKSHMI JAGADEESAN)

(a) The SCAs have been delegated with powers to approve and sanction loans for units costing up to Rs. 50,000.

In case of units costing more than Rs. 50,000 and up to Rs. 5 Lakhs, the SCAs refer the proposal for one time approval to the NMDFC. One such approval is given for a particular unit and the same is applicable for that type of unit in future. All the proposals submitted by the individual beneficiaries are sanctioned by the respective SCAs and are not referred to NMDFC.

(b) This usually does not take much time as proposals are processed expeditiously.

(c) to (e) In view of the foregoing, there is no proposal for establishing regional officers of NMDFC for sanction of loans.